



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 15, 2004

S. 1735

Gang Prevention and Effective Deterrence Act of 2004

As reported by the Senate Committee on the Judiciary on July 6, 2004

SUMMARY

S. 1735 would authorize the appropriation of \$763 million over the 2005-2009 period, mostly for the Department of Justice (DOJ) to investigate and prosecute criminal street gangs and to make grants to state and local governments to combat gang activity. Assuming appropriation of the authorized amounts, CBO estimates that implementing S. 1735 would cost about \$640 million over the 2005-2009 period.

S. 1735 also would establish new and increased criminal penalties for crimes relating to participation in criminal street gangs. The bill could affect direct spending and receipts, but CBO estimates that any such effects would not be significant.

S. 1735 contains no intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA). State and local governments would benefit from the authorization of funds for certain programs to reduce participation in criminal street gangs; any costs to those governments would be incurred voluntarily.

S. 1735 contains no new private-sector mandates as defined in UMRA.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 1735 is shown in the following table. The cost of this legislation falls within budget function 750 (administration of justice).

	By Fiscal Year, in Millions of Dollars					
	2004	2005	2006	2007	2008	2009
SPENDING SUBJECT TO APPROPRIATION^a						
Spending Under Current Law for Programs						
Funded by S. 1735						
Budget Authority ^b	37	0	0	0	0	0
Estimated Outlays	45	11	0	0	0	0
Proposed Changes:						
High-Intensity Interstate Gang Activity Areas						
and Grants for Community-Based Programs						
Authorization Level	0	100	100	100	100	100
Estimated Outlays	0	50	80	98	100	100
Project Safe Neighborhoods Program						
Authorization Level	0	8	8	8	8	8
Estimated Outlays	0	6	8	8	8	8
Safe Streets Program						
Authorization Level	0	5	5	5	5	5
Estimated Outlays	0	4	5	5	5	5
Grants to Combat Violent Crimes and Protect						
Witnesses and Victims of Crimes						
Authorization Level	0	20	20	20	20	20
Estimated Outlays	0	4	12	19	20	20
Gang Resistance Education and Training						
Projects Program						
Authorization Level	0	20	20	20	20	20
Estimated Outlays	0	4	12	19	20	20
Total Changes						
Authorization Level	0	153	153	153	153	153
Estimated Outlays	0	68	117	149	153	153
Spending Under S. 1735						
Authorization Level	37	153	153	153	153	153
Estimated Outlays	45	79	117	149	153	153

a. In addition to the amounts shown above, enacting S. 1735 also could affect revenues and direct spending, but CBO estimates that any such effects would not be significant in any year.

b. The 2004 level is the amount appropriated for that year for the programs authorized by S. 1735.

BASIS OF ESTIMATE

For this estimate, CBO assumes that the bill will be enacted near the start of fiscal year 2005. CBO estimates that implementing S. 1735 would cost about \$640 million over the 2005-2009 period, assuming appropriation of the authorized amounts. We also estimate that enacting the bill could increase both direct spending and receipts, but any such effects would not be significant in any year.

Spending Subject to Appropriation

For this estimate, CBO assumes that the amounts authorized by the bill for the programs listed below will be appropriated near the start of each fiscal year and that spending will follow the historical spending patterns for these or similar activities.

S. 1735 would authorize the appropriation of:

- \$100 million for each of fiscal years 2005 through 2009 for the Attorney General to establish teams of federal, state, and local law enforcement agents to investigate and prosecute criminal street gangs in selected areas (known as high-intensity interstate gang activity areas) and to make grants for community-based programs to prevent gang activities in those areas;
- \$7.5 million for each of fiscal years 2005 through 2009 for the Attorney General to expand the Project Safe Neighborhoods Program to require United States Attorneys to investigate and prosecute criminal street gangs;
- \$5 million for each of fiscal years 2005 through 2009 to increase funding for the Safe Streets Program of the Federal Bureau of Investigation to support anti-gang activities;
- \$20 million for each of fiscal years 2005 through 2009 for grants to state and local governments to combat violent crime and to protect witnesses and victims of crimes; and
- \$20 million for each of fiscal years 2005 through 2009 for the Gang Resistance Education and Training Projects (GREAT) program in DOJ.

In addition, S. 1735 would increase the minimum prison sentences for persons who use firearms to commit certain federal crimes. Based on information from the U.S. Sentencing Commission, we expect that these individuals already serve prison sentences greater than five years under current law. Thus, we estimate that implementing the bill would have no significant impact on costs to the federal prison system over the next five years.

Direct Spending and Receipts

S. 1735 would establish new and increased criminal penalties for various crimes involving criminal street gangs. Thus, the federal government might collect additional fines if the bill is enacted. Collections of criminal fines are deposited in the Crime Victims Fund and later spent. CBO expects that any additional receipts and direct spending would not be significant.

ESTIMATED IMPACT ON STATE, LOCAL, AND TRIBAL GOVERNMENTS

This bill contains no intergovernmental mandates as defined by UMRA. Assuming appropriation of the authorized amounts, state and local law enforcement and prosecutors could receive up to \$400 million in federal assistance over the next five years to combat gang activity; any costs to those governments would be incurred voluntarily. Those governments also would benefit from expanded programs of the Federal Bureau of Investigation and the United States Attorneys to identify and prosecute criminal street gangs.

ESTIMATED IMPACT ON THE PRIVATE SECTOR

This bill contains no new private-sector mandates as defined in UMRA.

ESTIMATE PREPARED BY:

Federal Costs: Mark Grabowicz

Impact on State, Local, and Tribal Governments: Melissa Merrell

Impact on the Private Sector: Paige Piper/Bach

ESTIMATE APPROVED BY:

Peter H. Fontaine

Deputy Assistant Director for Budget Analysis